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FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY TRIPOLI

DESP. NO. 58

TO : THE DEPARTMENT OF STATE, WASHINGTON

DATE August 10, 1957

REF :

For Dept. Use Only	ACTION	DEPT.
	REC'D 8/21	INFO RMIR OLI EUR ICA E PM SA S/S OTHER CIA ARMY NAVY AIR OSD

SUBJECT: Conversation with Busairi SHALHI, July 11, 1957

[redacted]

The conversation took place in Shalhi's office in the Royal Palace in a friendly atmosphere. After the usual amenities and coffee, I raised the subject of recent press attacks against the United States' assistance programs in Libya and expressed concern at the failure of the Libyan Government to publicize adequately the achievements of the programs. I noted activities of anti-American agents, primarily Egyptian, in schools and coffee houses in spreading gross distortions of American activities, policies, and intentions. One story being spread to the effect that sixty percent of every dollar of American assistance went to pay and house American technicians, provide their automobiles, and to complete projects useful to American military installations, had actually been repeated to an American citizen as fact by one of the members of the present cabinet.

Shalhi replied that the problem of American aid was that no one could see or feel it: there were many American technicians, but little evidence of their work. I replied that, on the contrary, there was much evidence but that it was not so labeled by the Libyan authorities. The smooth roads linking all coastal areas as well as the recently-leveled Fezzan track were financed by LARC, the new National Bank and Agricultural Bank were capitalized by LARC. The telecommunications net, the radio stations, the Tripoli Power Plant, the now burgeoning wadi-development projects, and a

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E.O. 12356, Sec. 3.4 NSC Memo, 11/24/98, State Dept. Guidelines, By [illegible], NARA, Date 5/6/82

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multitude of agricultural and natural resource projects were but a few further examples. To my explanation that projects were selected by LARC, a bi-national agency on which the Libyans had a majority of votes, and that some Americans believed a greater portion of assistance funds should be directed into such basic economic needs as wadi-development and agricultural training rather than into large projects to provide the appurtenances of a modern state, Shalhi replied that since we had the experts, we should assert our position more strongly and lead the Libyans rather than vice versa.

I reverted to the subject of the anti-American "whispering campaign" now being mounted against us and pointed out that this plus distorted press attacks could have most unfortunate impact in Washington at a time when assistance programs were being scrutinized very closely by the Congress. As close partners, I felt Libyan officials should recognize problems faced by the United States. If the Government permits the campaigns of misinformation and subversion now being carried on by the Soviets and Egyptians in Libya to continue without making an effort to control them and to set the record straight, it would be increasingly difficult to justify U.S. assistance programs for Libya. It would be a great mistake for any Libyan to think of U.S. assistance as a quid pro quo for the Wheelus Air Base, for U.S. programs are an outgrowth of political cooperation between our countries and the desire of the U.S., a sponsor of Libyan independence, to see that Libya continues as an independent state with as viable economy as it is possible to attain. Activities at Wheelus Air Base, essentially a training facility, could be phased down or out, depending on the international situation, and the basis for Libyan-American cooperation would remain.

Shalhi said that he would be very interested in any information I could give him on the U.S. programs in Libya and I assured him that I would send him anything available.

I extended Shalhi an invitation to join Ali SAHLI, Ambassador designate to London, Saif an-Nasser Abd AL-JALIL, President of the Executive Council of Fezzan, and a group of Embassy officers at luncheon at my home the following day. While a most pleasant afternoon was the outgrowth of this invitation, political subjects were not raised during or after the luncheon.

[redacted]

Mele Brand

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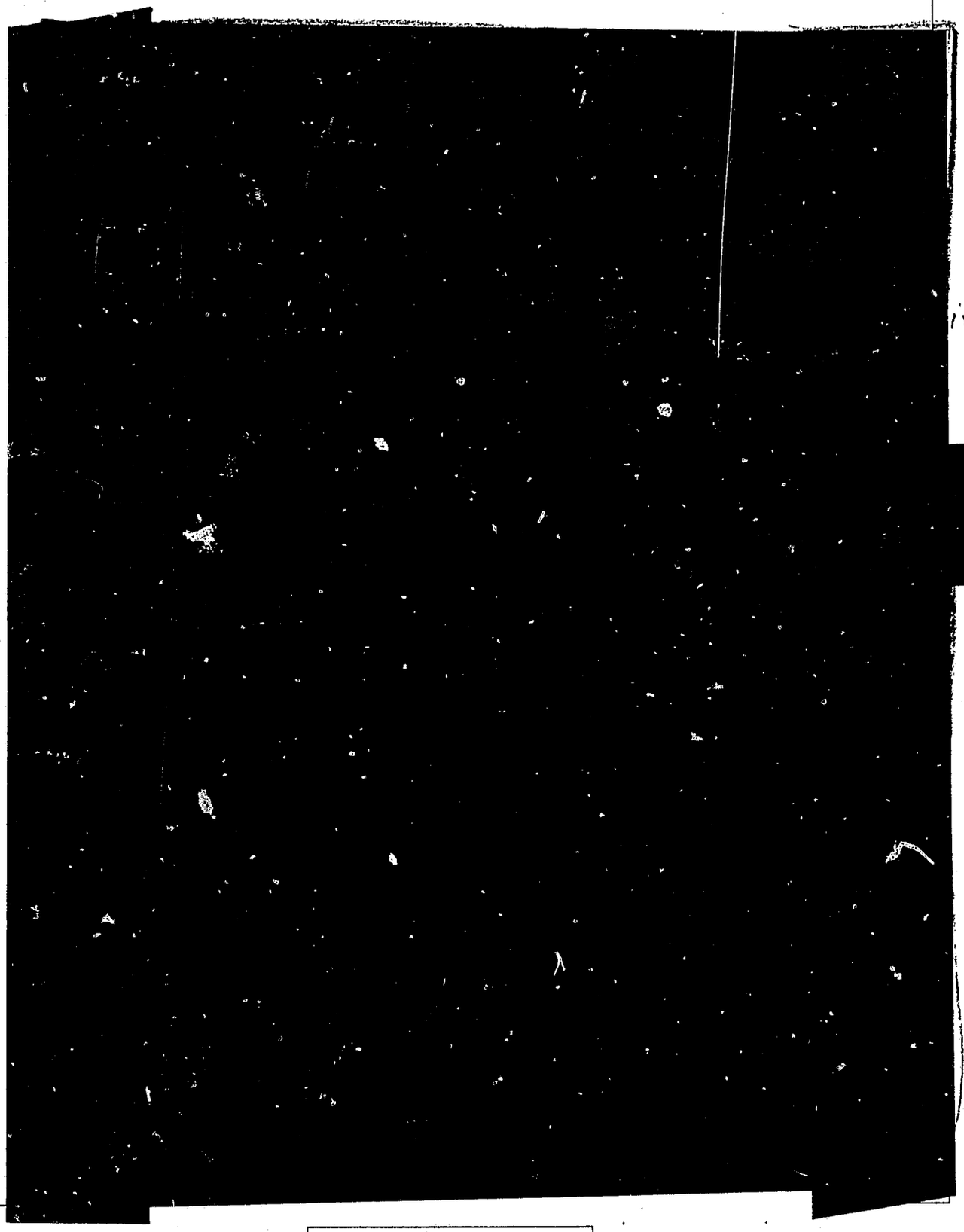

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